

SEABOARD SYSTEM RAILROAD

500 Water Street • Jacksonville, Florida 32202 • (904) 359-3100

Law Department
Writer's direct telephone line:

(904) 359-3673

August 23, 1985

14778

REGISTRATION NO. _____ Filed 1425

AUG 27 1985 - 10 42 AM

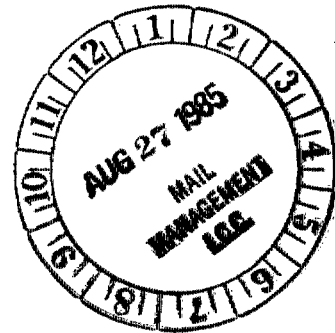
INTERSTATE COMMERCE COMMISSION

No. 5-239A080

Date AUG 27 1985

Fee \$ 10.00

ICC Washington, D.C.



Mr. James H. Bayne
Secretary
Interstate Commerce Commission
12th & Constitution, N. W.
Washington, D. C. 20423

Dear Mr. Secretary:

I have enclosed three counterparts of the document described below, to be recorded pursuant to Section 11303 of Title 49 of the U. S. Code.

This document is an Interim Use Agreement, a primary document, dated as of August 1, 1985.

The names and addresses of the parties to the document are as follows:

Atlantic Land & Improvement Company
500 Water Street
Jacksonville, Florida 32202

Seaboard System Railroad, Inc.
500 Water Street
Jacksonville, Florida 32202

A description of the equipment covered by the document follows:

45 3750 H.P. Model B36-7 diesel-electric locomotives, bearing road numbers SBD 5881-5925, inclusive.

A fee of \$10.00 is enclosed. Please return all counterparts not needed by the Commission for recordation to:

ICC OFFICE OF
THE SECRETARY
AUG 27 10 34 AM '85
MOTOR OPERATING UNIT

Mr. James H. Bayne
Page Two
August 23, 1985

Mr. David M. Yearwood
General Attorney
Seaboard System Railroad, Inc.
500 Water Street
Jacksonville, Florida 32202

A short summary of the document to appear in the
index follows:

Interim use of 45 locomotives numbered SBD
5881-5925.

Very truly yours,


David M. Yearwood
General Attorney

INTERIM USE AGREEMENT AUG 2, 1985 - 10 42 AM

INTERNATIONAL COMMERCE COMMISSION

THIS AGREEMENT, dated as of August 1, 1985, by and between ATLANTIC LAND AND IMPROVEMENT COMPANY, a Virginia corporation (hereinafter called the "Owner"), and SEABOARD SYSTEM RAILROAD, INC., a Virginia corporation (hereinafter called the "Bailee").

W I T N E S S E T H:

That the Owner has purchased forty-five (45) 3750 H.P Model B36-7 diesel-electric locomotives from General Electric Company bearing road numbers SBD 5881-5925, inclusive, (the "Equipment") which are to be sold to the Bailee. Bailee expects to finance such purchase through an Equipment Trust Agreement or Conditional Sale Agreement. Inasmuch as financing has not yet been obtained, the Bailee is not in a position to pay for the Equipment at this time. The Bailee represents that it will complete its financing arrangements on or before December 31, 1985. The Bailee (in order that it may use the locomotives pending completion of its financing arrangements) has requested the Owner to give the Bailee temporary custody and possession of the Equipment solely as bailee of the Equipment and the Owner is willing to do so upon the terms and conditions hereinafter stated.

NOW, THEREFORE, in consideration of the premises and of the promises of the parties herein contained, the parties agree as follows:

1. The rights of the Bailee hereunder in respect of each unit of the Equipment shall commence on the date of acceptance by the Bailee from the builder of such Unit and end on the earlier of December 31, 1985, or the date of payment of the purchase price of such unit under the above financing arrangements. When the purchase price of all units of the Equipment has been paid, this Agreement shall automatically be terminated without further action by or notice to any party concerned. Risk of loss in respect to each unit will remain with the Bailee at all times and shall not pass to the Owner under any circumstances.

2. The Owner hereby appoints the Bailee as its agent for acceptance of the Equipment from the builders. Upon delivery of each unit of the Equipment to the delivery point, the Bailee's representative will execute a certificate of acceptance acknowledging the receipt of delivery of such unit and stating that such Unit has been inspected and appears to conform to the specifications applicable thereto. Title to the Equipment shall remain in the Owner and the Bailee's right and interest therein is and shall be solely that of possession, custody, and use as bailee under this Agreement. Transfer of

title shall be effected only at the time of delivery of the bills of sale. The Bailee, without expense to the Owner, will promptly cause this Agreement to be filed with the Interstate Commerce Commission for recordation under 49 USC 11303 of the Interstate Commerce Act. In addition, the Bailee shall do such other acts as may be required by law, or reasonably requested by the Owner for the protection of the Owner's title to and interest in the Equipment.

3. The Bailee agrees that it will permit no liens of any kind to attach to the Equipment and that it will

- (a) indemnify and save harmless the Owner from any and all claims, expenses, or liabilities of whatsoever kind; and
- (b) pay any and all taxes, fines, charges, and penalties

that may accrue or be assessed or imposed upon the Equipment or the Owner because of its ownership or because of the use, marking, operation, management or handling of the Equipment by the Bailee during the term of this Agreement. The Bailee's obligations contained in this paragraph shall survive the termination of this Agreement by mutual agreement or otherwise.

4. The Bailee will, at its own expense, keep and maintain each unit of the Equipment in good order and running condition and will at its option repair or replace or promptly pay to the Owner the purchase price in cash of any units which may be damaged or destroyed by any cause during the term of this Agreement. Upon the expiration or other termination of this Agreement, other than by payment of the purchase price, the Bailee will surrender and deliver up the Equipment in good order and running condition to Owner free of all charges at the point designated by the Owner.


5. Prior to the delivery of each unit of the Equipment to the Bailee it will be numbered with a road number as set forth above, and there shall be plainly, distinctly, permanently, and conspicuously marked and maintained by the Bailee upon each side of each unit in letters not less than one inch in height the following words:

"OWNERSHIP SUBJECT TO A SECURITY AGREEMENT FILED
WITH THE INTERSTATE COMMERCE COMMISSION."

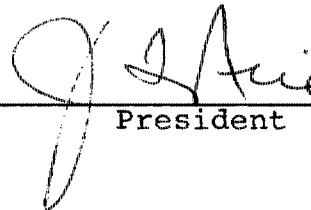
6. The Bailee agrees with the Owner that the execution by the Bailee of this Agreement or the delivery by the Owner to the Bailee of the Equipment as contemplated by this Agreement, shall not relieve the Bailee of its obligations to accept, take, and pay for the Equipment.

Attest:

ATLANTIC LAND AND IMPROVEMENT COMPANY



Assistant Secretary

By

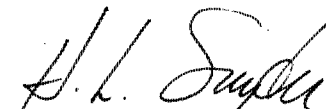

President

Attest:

SEABOARD SYSTEM RAILROAD, INC.

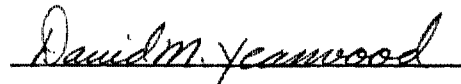

Assistant Secretary

By


Vice President-Treasurer

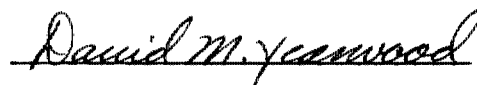
STATE OF FLORIDA)
) SS:
COUNTY OF DUVAL)

On this 23rd day of August, 1985, before me personally appeared J. T. Rice, to me personally known, who, being by me duly sworn, says that he is President of Atlantic Land and Improvement Company, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.


Notary Public, State of Florida
My Commission Expires Jan. 16, 1988
Bonded Thru Troy Fain - Insurance, Inc.

STATE OF FLORIDA)
) SS:
COUNTY OF DUVAL)

On this 23rd day of August, 1985, before me personally appeared H. L. Snyder, to me personally known, who, being by me duly sworn, says that he is Vice President-Treasurer of Seaboard System Railroad, Inc., that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.


Notary Public, State of Florida
My Commission Expires Jan. 16, 1988
Bonded Thru Troy Fain - Insurance, Inc.